(P-823)

Previous references.
B. Aug 08. 881-6. S.R. 167-07
B Jan 08. 881-4. S.R. 8[illegible]-07
S.R. 223-07.
Q. 2m 1-09.
Later references.

1908-09.
(S.R.)

File No. 167-07.
Serial Nos. 7-18

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 7-18

Part B. for August 1910.

SUBJECT.

Reduction of the Strength of arrack sold in the State from 20° U.P to 25° U.P.

7. From the A.A. Resident. No. 638 d. 1-2-09.
Advances reasons for reducing the Strength of arrack sold in the State from 20° to 25° U.P.

8. To the Excise Commr. No. H. 3488 d. 11-2-09.
Forwards the above for favour of opinion.

9. From the Excise Commr. No. 9060 d. 7-4-09.
Expresses his opinion on the subject.

G. R. S. 58

10. To the Excise Commr. No. H. 7193 d. 6-5-09.
Points out that his report contains no information on certain observations of

the Residency calls for a report on these points.

From the Excise Comr. No. 10653 d. 26.5.09.
Submits his further views in the matter and specifies the conditions on which the strength may be reduced to 25° U.P

To the 1 A. Resident. No. Pol. 621 d. 29.1.10
Explains the inconveniences in reducing the strength to 25° U. P and suggests certain conditions under which alone the strength may be reduced.

From the Excise Comr. No. 6816 d. 14.2.10
Forwards D.O. correspondence between him and the Secretary to the Board of Revenue regarding the prohibition of the Sale of arrack of 20° U.P in the State, and solicits early orders on the proposals made in his letter no 10653 d. 20.5.09 & 9060 d. 28.4.09.

To the 1. A. Resident. No. Pol. 825 d. 29.3.10.
States that effect will be given to the reduction of arrack from 20° to 25° U.P. from the 1st July 1910, that it is considered necessary to raise the duty on arrack from Rs 5-15-0 to Rs 6-5-4 per gallon, and that it will be practicable for the retail. Selling price for arrack of 25° U.P at 2 annas per seer.

From the 1. A. Resident. No 3336 d. 2.6.10.
Acknowledges the receipt of the above and states that the duty on arrack will be raised in the Cantonment from Rs 5-5-0 to Rs 6-4-0 per gallon from 1st July but that the retail Selling price for arrack of 25° U.P will, as in Bangalore city, be fixed at 2 annas per dram.

G. & S. 11] 1908. 9

GENERAL AND REVENUE SECRETARIAT.

(S R)

NOTES.

File No. 167-07.

File Heading.

Strength of Arack sold in the Bangalore city & in the other parts of the

From

The First Asstt: Resident.

No. 838 Dated 1.2.09 Received ~~5.2.09~~.

Diary No. ~~2702~~	Enclos. :	Spare Copies. :	Serial No. 7

Brief Abstract of Letter.

Adduces reasons for reducing the strength of arack sold in the shops from 20° to 25° U. P.

NOTES AND ORDERS.

Before entering into a discussion, it is necessary to obtain the opinion of the Excise Commr: on the subject.

K.S.
5.2.09.

Issue
7.2.09.

~~Sd~~

Notes—First sheet.

GPB.—30,000—20-3-06.

G. R. S. 12]
General and Revenue Secretariat.

S. R. File No. 167 of 1907-8

(2)

Serial No.	
	To the Excise Comm. No: R:3488 dated 11.2.09.
	Forwards the above for favour of opinion
9	From the Excise Comm. No 9060 of 7/4/08 requests his opinion on the subject -
	The Excise Comm. considers the present definite & decisive - His report contains nothing about the observations of the Resident in para 6, 8 & 9 of the Resident's letter No 638 of 9/2/08. His proposal to retain the present scale of duty on the weaker liquor is opposed to the principle that the duty on country liquor should always be somewhat less than that on the foreign imported liquor on proof strength and called with a request for a more detailed report.
	J.G.K. 17/4/08
	Issue 4/5.

NOTE—Contn. sheet.

GPB—50,000—13-5-08

G. R. S. 12]
General and Revenue Secretariat.

8R File No. 167 of 1907

Serial No.

Mr Kelly called & spoke to me & Gilgerry Beer inspector sent into the Kolar Gold Fields. The only question for consideration is whether the Mr Gould will interfere with our keeping such ~~fee~~ duty on the F.L.

4 If the Mr. Gould consent to all the Conditions specified in ~~the~~ the last paragraph of the Ex. Comm's letter under disposal the strength of arrack sold to the public may be reduced to 25° P. Submitted for orders

~~Office~~ 29-K
29/5 Secy
mar 29-K
29/5

5 I have prepared a draft to the Residency outlines the Excise Commissioner's letter but without incorporating all the arguments urged by him, as some of them do not appear to be sustainable. For instance, it is very doubtful

NOTE—Contn. sheet.

GPB—50,000—13-5-08

Serial No.

Whether his answer to the Residency letter on the question of increase of toxee impunities can also be accepted. As we manufacture our liquor at proof strength, the question of manufacturing liquor at 25 U. P. simply reduces itself into manufacturing a little more of distilled water. We do not distil liquor itself at a lesser strength. I have therefore omitted all reference to this question as we can not satisfactorily answer the Residency.

The draft does not commit the Govt either way in regard to the reduction of Still-head duty on liquor of 25 U.P., in case the Res.y Residency recommendation is to be accepted. Only the difficulties in either course are pointed out.

Of the several conditions which the Excise Commissioner lays down in his letter as necessary, if we are to adopt the suggestion of the Res.y only the two most important are included in the draft. The others are either unimportant or are already consented to by the Residency, as for

G. R. S. 12]
General and Revenue Secretariat.

S&L File No. 107 of 190

(6)

Serial No.

Example, the question of giving effect to the new Scheme with effect from 1st July 1910, (as the existing Contract of the manufacturers runs up to that period.)

27/6/09. S&L

Secretary

Q. Is the 4,00,000 gallons issued from Distillery Proof liquor or liquor 20° U.P.? If latter it will not be correct to say that 25° U.P. liquor will need 33,500 gallons more distilled water.

Q. Please also put up the Resr communication referred to in the latter part of para 3 of the Ex-Commrs letter Serial 11.

CB 28/6/09

CO. Has the Govt been able to take any definite orders on the question of the disability of the Dunbar to tax imported foreign liquor? (Remember making some enquiries about this in connection with letter no 5-25 to Resr.)

CB 7/7/09

Govt letter no 1773 of 26/3/09 SR 15 in S&L 223-07 putup

NOTE—Contn. sheet.

GPB—50,000—13-5-08

S&L

Serial No.

Ruled

1 It is ascertained that the 400,000 gallons of liquor issued annually from the distillery is of 20° UP. and the quantity of water (distilled) required to reduce it to 25° UP is 26700 gallons. It is also ascertained that roughly at a cost of about Rs 3/- distilled water of 100 gallons can be had. This point does not therefore seem to be of much use in favour of your contention.

2 The file relating to the refusal of the Madras Govt to enforce the permit under Madras Abkari Act referred to by the Excise Comr in para 3 of his letter Sl 11 is returned.

3 The original file relating to the T.A. rules issued under Notn No 3 of 9/5/88 wherein it is clearly laid down that "no duty" "foreign & Indian & Foreign fermented liquors shall not be "liable to any excise duty, the Govt. of H.H. the Maharaja" could not be traced in the record

Note—Contn. sheet.

Serial No.

either of our Office or of the Excise Comr. The latter Office is making frontier search. The above provision was expunged from the rules when they were revised in 1902 on the ground that it was unnecessary as Sec. 7 of the Excise* Act then in force authorised the levy of "duty" only on spirits manufactured in any distillery licensed under Sec 5 or established by the Govt under Sec 6.

It is therefore possible that a Court with a view to make the people clearly understand it was specially provided in the rules of the 9th May 1889 that no "duty" shall be levied on the Foreign Liquors. There is nothing in the new Excise Regn. V of 1903 to prevent Govt. from levying "duty" on Foreign Liquors.

(Linked file)

15 As the Foreign Liquor rules were revised & issued in 1902 with a view to legalise them under the new Excise Regulation.

* Regn III of 86 came into force on 1/10/85

NOTE—Contn. sheet.

GPB—50.000—13-5-08

(9

Serial No.

N.
SR 2 in G.M. 1905
(Limited file)

E.
(- do -)

(6) The importance of the question whether the Drawback Can or cannot keep duty on Foreign Liquors ~~was~~ does not seem to have ~~to be~~ been ever before Considered.

(7) But the Drawback have only said in their letter no Pol 21 of 8/7/05 to the Residency that Foreign liquors imported "into the State are not subject "to any further duty here."

(8) It is not clear if the Drawback is disallowed where the duty on Foreign Liquors by the Assessment of Transport at Cochin which also is added to the ~~Duty~~ Value of the Imports, are not in favour of imposing any restriction on the Foreign Liquor trade

(9) The difference in the quantity of distilled water required for the manufacture of arack of 25 U.P.

NOTE—Contn. sheet.

GPB—50.000—13-5-08

Serial No.

2 The draft appears to be all right. The chief point is — we have to be protected against the competition of cheap foreign liquors which pay no duty to the State — and we should insist on 25 u. p. liquor being sold in the adjacent British Districts in the Madras & Bombay Presidencies. If these two conditions are granted there is nothing to prevent our adopting the humane suggestion to sell 25 u. p. throughout the State. The argument of extra cost on the score of having to add a larger quantity of distilled water is of no great consequence and may be left out. The cost may come to Rs 800 on the whole.

23 If I remember right, all customs duties in the State were abolished with the sanction of the Govt of India & H. H. the Maharaja Krishnaraja Wadeyar Bahadur III

[ORE—Contn. sheet.

GPB—50.000—13-5-08

and therefore no Import duty can be levied upon imported foreign liquor — Please look up this reference as it has got an important bearing on the Consideration of the present question.

24 In my humble opinion a little sacrifice is worth making in order to promote temperance among the people

W M
4/7/09

25 — ⊗ Office Please make careful search in the Sl Records elsewhere (Also Look into Blue books re Abolition of Import Duties in Mysore) 4/7/09 S

1907

Circular no 2948/R25 dt 12.11.64 announcing the relinquishment of export and import duties between Mysore and H. Majesty's Territory, with the connected papers is put up

MKH 24/7/07

26 28/7 Filed. The references

GPB—50.000—13-5-08

Serial No.

Index to the Civil Records relating to the abolition of Sugar duty which consisted of Gauja & Khajuri also. No mention is made of Spirituous liquors

Blue Book

Reference to the Blue Book relating to the customs duties are checked & put up.

Nowhere any reference has been made to Sakhari or Spirituous liquors.

Though the import duty on Gauja & Khajuri was abolished so far back as 1864, the Excise Regn authorizes the levy of Excise duty on these drugs if any private person imports it with permission. Under the same Regn import of Spirituous liquors (also including Foreign Liquors) are liable to pay import duty or Excise duty as it is now called. The Correspondence relating

NOTE—Contn. sheet.

GPB—50,000—15-5-08

Serial No.

above (~~of the years~~ 1864-68) does not seem to preclude the levy of this duty as reference is made to spirituous liquors in the said Correspondence

Sd/-
Blue
5/8/09

W/S 5/8. 1. Please put up the Blue books

2. Also ascertain whether levy of the duty on imported Arecanut was ~~Cancd~~ stopped and why?

6/8/09 Sd/-

Sd/-

The two volumes of Blue Book are put up.

The levy of duty on all imported articles including Betelnut was absolutely prohibited ~~in 1865~~ from 18th January 1865 by the Bombay Conservancy Act of 26/10/1864.

Returned from the Council Section and perused.

B.
(Put up file)

Blue
7.8.09
20

(+) The Blue books do not throw any light on the subject — all the discussions contained in them having been embodied, ~~in the~~ after all the matter was decided in the

NOTE—Contn. sheet.

GPB—50,000—18-5-08

G. R. S. 12]
General and Revenue Secretariat.

GM File No. 167 of 190 7 (15)

Serial No.

Instrument of Transfer

3 (2) Some of the papers put up by the Office show that during the days the Commission Mysore was levying import and Export duties (or transit duties as they were then called) on various articles coming into or going out of Mysore. This was put a stop to in the year 1865 by the Govt of India acting on a representation of the Govt of Madras, in spite of a vigorous protest by the then Chief Commissioner Mr Bowring. The incident that led to the issue of this order is narrated in detail in the papers put up.

LR 1864-65

3 2 Mr Bowring repeated his protest some years later (in 1868) and urged that as Mysore had no Seaboard of its own, She was Entitled to levy import duties or, in the alternative, to claim a Share in the British Indian Customs Revenues. The Govt of India however pointed out to Mr Bowring that the matter had been finally settled.

(Blue book extract)

(-do-)

3 3 The Consequence was that thereafter

NOTE—Contn. sheet.

GPB—50,000—13-5 08

Serial No.

all "import and Export" duties were abolished, Salt on local products was retained. Lattely Even this has completely disappeared.

34 The Order of 1865, though it completely abolished the "import" and "Export" duties did not lay down any prohibition for the future. Nor is such a restriction to be found anywhere else. The Instrument of Transfer Expressly prohibits levy of taxes of any kind on articles intended for the Supply of provisions &c to the military (Please See paras 7 & 8) but does not contain any general rule as to what taxes should or should not be levied.

(1) The restrictions in regard to particular articles (Poppy-heads, Salt and Opium) are contained in para 18.

35. No doubt, to levy a tax on imported foreign liquor now would ~~be a~~ probably require the Sanction of the Govt of India under para ~~8~~ of the ~~Draft~~ Instrument of Transfer. But this is Exactly what we are seeking to do in asking the Madras Govt, thro' the Residency, to allow us to levy a tax ~~of 4~~.

16/8/07 S/M

Secy.

NOTE—Contn. sheet.

GPB—50,000—13-5 08

Serial No.

I have nothing to add to the info contained in the Asst Secy's note.

Para 3 re: increase of cost on account of addition of distilled water has been slightly modified in view of the remarks in para 2 of the Govt's note.

It will be a great point gained if the Govt of India will permit us to levy an import duty on foreign liquors

1911

May be approved

23/8/09

Dewan

2188/09
25/8/09

This file has been kept by for sometime as I wished to read all the important papers. The draft reply seems to be suitable.

I think that we should keep the same price as at present and reduce the strength.

If an arrangement is come

NOTE—Contn. sheet.

GPB—50,000—18-5 08

Serial No.

Para 3 of the draft which says that the cost of manufacturing arrack at 25° U.P. is greate than for arrack at 20° U.P. is obviously incorrect, since, if a larger quantity of distilled water has to be added to proof spirit we also get a larger quantity of arrack at 25° U.P. This para has there fore been omitted and a revised typed draft to the Residency, adopting the views of the Excise Commis sioner, is put up. Please circulate to Council.

2. Personally I am still of the opinion (ex- pressed as First Councillor) that the proposal of the Residency is worthy of adoption. But there can be no harm in making such adoption conditional on the two conditions mentioned in the concluding portion of the draft.

Circulate

7/12/09

7/12/09

4/12 11.12.09

The revised draft may be approved

(Begun on P. 17 by Dr Hare) mistake & Cont

11/12/09

to in border places by which stronger liquor is not a-

NOTE—Contn. sheet.

GPB—50,000—13-5 08

Serial No.

vailable, the drinking population would in time rest satisfied with this strength. If be lower the price proportionately, the benefit intended will almost certainly be lost by the drinkers increasing the quantity proportionately.

30/12/09

Dewan)

3786
5/1/10

483
4/1/10

S.M.67-07 (4

Submitted to His Highness.

In paragraph 13 of the Resolution of the Finance Department of the Government of India No. 5086/Exc. dated 15th August 1907 passing orders on the recommendations of the Indian Excise Committee, it was suggested that the sale of any liquor (arrack) in Coorg and Bangalore Cantonment stronger than 25° U.P. should cease. The Residency in their letter No. 699 dated 3rd February 1908, asked for the views of the Durbar on the proposal.

2. In their reply contained in letter No.Pol. 992 dated 6th June 1908, the Durbar pointed out to the Residency that the proposed reduction of the strength of arrack from 20° U.P. to 25° U.P. was inadvisable on administrative, fiscal and medical grounds. The Durbar's objections against the reduction of strength were -

i) that the arrack drinker in Mysore has for over 40 years become inured to the liquor of 20° U.P;

ii) that an attempt made in 1893-94 to reduce the strength of liquor in the Districts of Kadur

8h1167-07. (22

and Shimoga on the representation of the North Mysore Planters' Association failed owing to the fact that the people were not satisfied with the weaker liquor and required the one of the usual strength;

iii) that the change is impracticable as the existing contract for the manufacture of liquor will remain in force till June 1910;

iv) that arrack 25°U.P. would contain more injurious by products than arrack 20°U.P;

v) that some difficulty may be felt in fixing a price for the retail sale of the weaker liquor;

and vi) that the reduction of strength to 25°U.P. would lead to illicit distillation or to the increased consumption of foreign liquors resulting in either case in loss to the Mysore Revenues.

3. In paras 4 to 8 of the Residency letter No.638 dated 1st February 1909, certain observations based upon expert opinion were made to controvert the Durbar's objection. The Resident expressed a hope that as the object underlying the Excise policy of the Government of India is the endeavour to check intemperance, the Durbar will make every effort to bring their policy into line with that of British India.

4. The Excise Commissioner is of opinion that

OH 167-07 (24

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

13.1.10 758 Draft of a letter to the Residency regarding the question of the reduction of strength of arrack sold in the State from 20° U.P. to 25° U.P.

Order.

568 TTT 26/1/10

Approved
~~KRM~~
25/1/10

Secy
26 Jan 10
Issue (urgent)
CSJ
27/1/10
Sd
27/1/10

G. R. S. 12]
General and Revenue Secretariat.

SR File No. 67 of 190)

(25)

Serial No.	
12	To the J.A. Resident no Pol. 621 dt 29.1.10 Explains the inconveniences in reducing the strength to 25° U.P. Suggests certain conditions under which alone the strength may be reduced
13	From the Excise Com. no. 6816 dt 14.2.10 Forwards D.O. correspondence between him & the Secretary to the Board of Revenue, Madras regarding the prohibition of the sale of arack & 60° U.P in the State, & solicits early orders on the proposals made in his letter no. 1005-3 dt 20.5.09 & 9060 dt 28.4.09.

The Madras Govt. have decided to prohibit absolutely the sale of 20° U.P. arrack throughout the Madras Presidency with effect from the 1st April 1910 and they want to know whether the Durbar also would adopt this measure. The strongest liquor allowed to be sold in any part of that Presidency from 1st April 10 is 30° U.P

NOTE—Contn. sheet.

GPB—55,000—27.4.09

Serial No.

It may be better to obtain each tenderer to offer their rates for the 2 different Stores the Contractor has to deal with as it is not safe to say at this stage whether the Contractor will be required to 20° W.A. or 25° W.A.

Submitted for orders

J.G.K.

Noted

In the meanwhile this file has been sent as a reference to the file for the next manufacture Contract for this Store — as it is an important matter

18/2/10

Work up this Case on usual lines and submit in the usual course

Noted 22/2/10.

The Contract having been tabled, it will be necessary to specify in the agreement of the Manufacturers that they will take proportionate reduc

GPB—55,000—27-4-09

Serial No.

of liquor 20° under proof throughout that Presidency the Mysore State is called upon to make some kind of response in the interests of temperance. We have to follow the broad lines of the excise policy of the Government of India framed on mature consideration and with due regard to the welfare of the people and the revenues of the State. I feel that we cannot defer much longer the introduction of liquor 25 U.P. It would certainly be inconvenient to sell two different strengths of liquor on either side of the border.

If the introduction of 25 U.P. is decided upon, the question of Still head duty & selling price may be further considered. It has also a bearing on the

Serial No.

tender rates of the new arrack Contract. I suppose a proportionate reduction will be made in the tender rates according to the strengths of liquor to be manufactured

Duncan

4/25/10.

(A) Yes. This shd be done. As to the reduction of the liquor to 25 UP a reply from the Residency may perhaps be awaited? This may be circulated to Committee also

3035

2nd Cr)

Seen. I think we may await a reply from the Residency.

10/3/10

G. R. S. 12]
General and Revenue Secretariat.

S/H File No. 167 of 1909

32

Serial No.

Ruled for orders

Before the file could be ruled to Govt, a letter was received from the Resident requesting that the new Contract and Agreement might be signed. Noting that it is understood that the Durbar intend introducing the Ice weaken scrock (25° Rp. with effect from 1st July 1910 (new Contract) and that the price of scrock will be reduced proportionate to its present It is therefore a good opportunity whether the order-putting by the Councillor today is to be cancelled.

[illegible]

17/12/10 17/12/10

NOTE—Contn. sheet.

GPB—55,000—27-4-10

G. R. S. 12]
General and Revenue Secretariat.

SR File No. 167 of 1907

Serial No.

Drawings

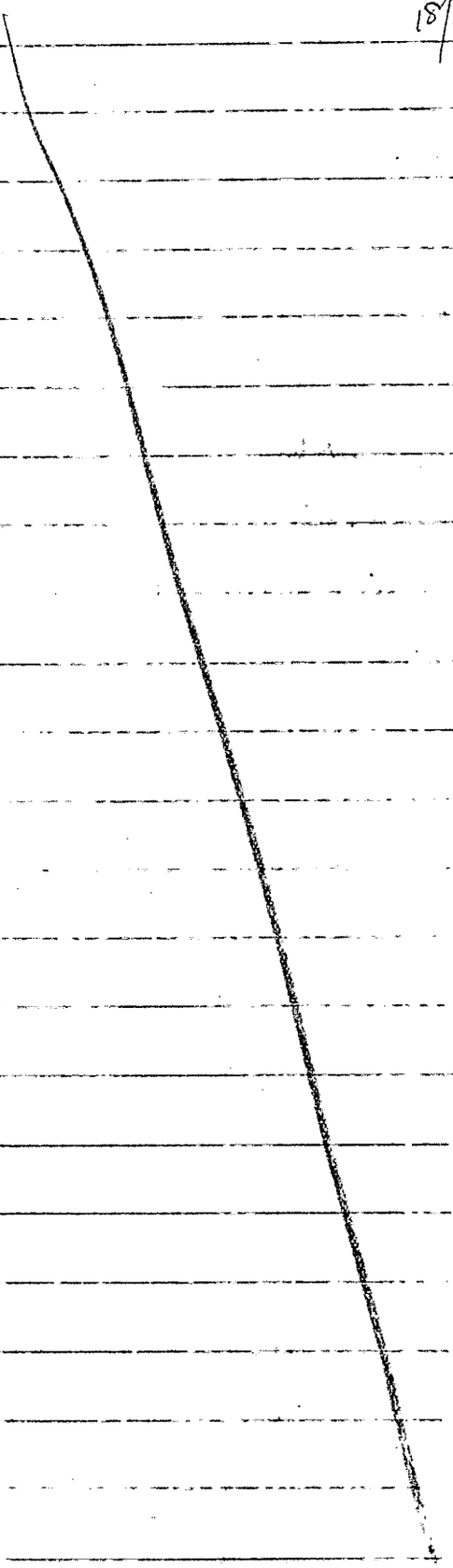
5/12/1908

4/03

18/3/10

~~30~~

18/3/10



NOTE—Contn. sheet.

GPB—55,000—27-4-09

liquor to compete with arrack. 8th 167-07 (35)

3. In these circumstances, the reduction of the strength of arrack from 20° U.P. to 25° U.P. may be sanctioned with effect from the 1st July 1910. The measure is one that has been proposed in the interests of the cause of Temperance, and in order to safeguard the health of the consumer.

4. It is not possible to forecast with certainity the effect of the proposed change on our arrack revenue. It is possible that there may be a fall in the consumption of arrack as the liquor supplied is somewhat weaker than before (in the proportion of 16 to 15); but on the other hand it is also possible that the consumer may try to make up for quality by quantity, and this may result in increased consumption Assuming however that the consumption remains unaffected, it is necessary in order to maintain the revenue from duty at its present figure to levy on arrack at 25° U.P. the same duty as on arrack at 20° U.P., viz., Rs.4-12-0 per gallon. This is tantamount to increasing the still head duty from Rs.5-15 to Rs.6-5-4 per gallon of proof spirit.

5. With the duty thus fixed it will be possible to fix the retail selling price for arrack at 25° U.P.

S[3]h 167-09 (36)

at 2 annas per dram, the same as heretofore for arrack at 20 U.P. This will avoid the practical inconveniences, referred to in para 4 of our letter to the Residency, Pol. No.621 dated 29th January 1910, which would result if the proposal of the Hon'ble the Resident to reduce the retail price proportionately to the strength and fix it at 1 anna 10 pies per dram were adopted.

6. These proposals have been discussed by the Councillors and myself with the Excise Commissioner at a conference to-day, (21st March) and we are all agreed about the recommendations.

Bangalore
21 March 1910

T Munkatarow
21 Mar

G. R. S. 12]
General and Revenue Secretariat.

S/K File No. 167 of 1907

Serial No.

Subject

The Resident has been informed about the above matter by t.p.t.

Subject. The Resident also has to be formally informed of the fact of our having reduced the Nizam's Peacock Crested Grade of Arab, so that the may also give effect to such change if suitable & refer letter to the Resident & forward a copy of it to the Press Comm requesting him to take the needful action in the matter is submitted for approval

Secy
24/3/10

Mr 24/3/10

26/3/10 SH

Secy: The draft letter may be approved

Dewan through Secy 26/3/10 CBS

MVN 26/3/10

5196/26/3/10

Dft approved 26/3/10

Issued today

CBS 28/3/10 28/3/10

NOTE—Contn. sheet.

GPB—55,000—27-4-09

Serial No.

14 To the First Asstt: Resident:
No: Fol: 825 dtd 29-3-1910.
States that effect will be given to the reduction of arrack from 20 to 25° U.P from the 1st July 1910, that it is considered necessary to raise the duty on arrack from Rs. 5-15-0 to Rs. 6-5-4 per gallon, and that it will be practicable to fix the retail selling price for arrack of 25° U.P at 2 annas per measure dram.

15. From the First Asstt: Resident.
No. 3336 dtd 2.6.1910.
Acknowledges the receipt of the above and States that the duty on arrack will be raised in the C+M Station Bangalore from Rs. 5-15-0 to Rs: 6-4-0 per gallon from 1st July 1910 but that the retail selling price for arrack of 25° U.P will be, as in the Bangalore City, be fixed at two annas per dram.
The duty now fixed by the Darkast from 1st July 10 is Rs 6-5-4 per proof gallon. But the Residency have fixed it at Rs 6-4-0. There is a difference of one annas four pies. But there is however one understanding that the "Duty"

NOTE—Contn. sheet.

BPG—55,000—27-4-09

Serial No. 17

From the Excise con
No. 10798 D. 25-6-10

Explains how it is unnecessary to effect any change in the arrangements already made

Submitted for orders. It is not clear if a reply should be sent to the Residency.

862
8/7

No reply seems to be necessary.

9/7/10

Seen. Subd to Dewan & Secy for perusal.

CS
12/7/10

SB
13/7/10

The receipt of the Residency letter may be acknowledged.

Seen — The papers may now be filed

13/7/10

22 July 10

Filed

SB
13/7/10

23/7/10

SB
23/7/10

6899
14-7-10

13-7-10

NOTE—Contn. sheet.

GPB—50,000—13-5-08

(43)

Submitted to His Highness.

I submit for information copy of Residency letter dated 26th July expressing the gratification of the Government of India at the co-operation of the Durbar in the matter of introducing measures reducing the strength of arrack from 20° to 25° U.P.

KRR

P. Ramdas Rao
29/July/20

G. R. S. 12]
General and Revenue Secretariat.

File No. 167 of 1907.

Serial No.

The Correspondence may be closed here as no more action seems necessary
[illegible] of the Resident Commissioner
Ruled for order

NOTE—Contn. sheet.

GPB—55,000—27-4-09

No. 638. Pol: 1131

FROM

T. B. COPELAND, ESQ., I. C. S.,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

Dated Bangalore, 18th February 1909.

SIR,

I am directed to acknowledge the receipt of Mr.Chandrasekhara Aiyar's letter No.992 Pol., dated the 6th June 1908, giving the views of the Durbar on the proposals made in this office letter No.699, dated the 3rd February 1908, viz., (1) to reduce the strength of the Arrack sold in the Civil and Military Station of Bangalore and in Bangalore City from 25° to 20° U.P., and (2) to fix the sale price of a Mysore dram to the retail vendor at Re.0-1-7 per dram (based upon the following:-

Cost price Rs.0-8-2 per gallon
Duty Rs.4-7-3 ,,

2. In reply, I am to remind the Durbar that, with a view to decrease drunkenness, the Government of India desire to discourage the consumption of strong spirit and they have laid it down that as a first step in this direction the sale of arrack in the Civil and Military Station at any strength above 25° U.P. should cease. If the strength of arrack is to be so reduced in the Civil and Military Station, it is necessary that a similar reduction should be made in the strength of arrack intended for consumption in Bangalore City and, indeed, also in other areas throughout Mysore territory. In placing, however, the

following

following considerations before His Highness' Government, the Resident desires to make it clear that his recommendations are not based upon the interests of the Civil and Military Station alone, but that, in his opinion, the measure advocated is equally in the interests of the Mysore State, whose Excise policy it is understood, is directed upon the same temperance principles as have been adopted by the Government of India. Mr Fraser is not aware whether the practice of dilution of spirit before drinking is spreading in Mysore as elsewhere (paragraph 258 of the Committee's Report) but judging from the opposition anticipated to a reduction in the strength of the spirit even from 20° U.P. to 25° U.P., it would appear that the practice here is to drink the arrack "neat". If so, the attention of the Durbar is invited to Major Bedford's opinion that even "undiluted 25° U.P. is too strong to drink "neat" and there can be no doubt that the existing practice of selling liquor so strong as 20° U.P. must be injurious to the health of the people and stands in need of early reform.

3. The Durbar have raised the following objection to the proposed reduction of the strength of spirit from 20° U.P. to 25° U.P. in Bangalore City and in other parts of the Mysore State.

(i) The consumers have been accustomed to the present strength of 20° U.P. and would resent the introduction of arrack of a lower strength.

(ii) The existing contract is for the supply of arrack at 20° U.P. and does not expire until June 1910.

(iii) Arrack 25° U.P. would contain more injurious by products than arrack 20° U.P. as the proposed change would lead to distilling at a lower strength in order to avoid the necessity of adding a larger quantity of distilled water than at present.

(iv) The price of arrack 25° U.P. would be inconvenient for trade purposes

(v) The reduction of the strength of arrack to 25° U.P would

Abkari Deputy Commissioner does not consider that any increase of cost will be involved in the production of spirit 25° U.P. as against 20° U.P. inasmuch as it appears immaterial to the distiller whether he distils his liquor a little weaker or whether he distils a little more water to reduce the liquor to the strength required. Mr.Bennett is also of opinion that the difference in the amount of by-products in liquor of 20° U.P. and 25° U.P. respectively, is so small as to be altogether negligible. Moreover there appears to be reason to believe that liquor is invariably distilled at or about proof in the Bangalore distillery. Apart, however, from these technical considerations, it appears sufficient to recall the fact that spirit of 25° U.P. and of strengths as low as 60° U.P. are already being consumed in British India for the very reason that they are less injurious to health than spirit of higher alcoholic strength.

7. With regard to objection (iv), it is observed that the minimum sale price of a Mysore dram of arrack 20° U.P. is fixed at two annas while the cost price to the retail dealer inclusive of duty is 1 anna 8.43 pies, the difference, viz., 3.57 pies, probably representing vend rent and profit. On this basis, the minimum sale price of a dram of 25° U.P. would be 1 anna 10.57 pies or say 1 anna 10 pies and this price could be fixed when arrack of 25° U.P. is sold. It would then be possible to sell fractions of a dram as follows:-

¼ dram	...	6 pies
½ dram	...	11 pies.
¾ dram	...	1 anna 4 pies.

8. With reference to objection (v), I am to say that Mr.Fraser sees no cause for apprehending that the proposed reduction in the strength of arrack will lead to an increase of illicit distillation and he is unaware of the grounds upon which such an apprehension can be based. It is unlikely that this measure will attract much notice in rural tracts, and at all events the public taste in the State generally would soon adjust itself as it has done elsewhere to the slightly weaker liquor

if no other arrack were obtainable and the necessary vigilance observed to prevent illicit distillation. In the neighbourhood of Bangalore and the Kolar Gold Fields, the effect of the change might in the beginning affect the consumption of arrack adversely, but as happened in the Civil and Military Station in 1901-02 when the strength of arrack was tentatively reduced from 20° U.P. to 30° U.P. a fall in the consumption of arrack would not improbably be accompanied by a rise in the consumption of double distilled rum ("foreign liquor" manufactured in the Mysore Government Distillery). So far as the Resident is aware there is no evidence to render it likely that "foreign liquor" in the sense of liquor imported from outside India, which pays no duty to the State, would replace arrack. In any case, then the excise revenue of the Mysore State is not likely to be materially affected. For, seeing that the Durbar do not derive any income from the arrack supplied to the Civil and Military Station, it is obvious that they would not suffer even if the consumption of arrack in the Civil and Military Station ceased altogether while, as regards Mysore territory, the fact that the Durbar manufacture their own D.D.rum as well as their own arrack, the strength and sale of which can be controlled and regulated by the Mysore Excise Department, will enable the Durbar to prevent any substantial loss of revenue resulting to the State from the displacement of arrack by D.D.rum. In this connection I am to suggest that it might be possible to reduce the strength of D.D.rum to 25° U.P. if experience proved that undiluted D.D.rum replaced arrack to any considerable extent in Bangalore and the Kolar Gold Fields. But even if it is not possible to make D.D. rum of weaker strength, the net effect of the change in the strength of arrack over the State as a whole will be distinctly in the direction of lessening drunkenness.

9. As the object underlying the Excise policy of the Government of India in this matter is the endeavour to check the vice of intemperance, the Resident is confident that the Durbar will

will make every effort to bring their policy into line with that of British India.

10. In these circumstances I am to request that they will take into their consideration the points indicated in this letter and favour the Resident with their further views in the matter at an early date.

I have the honour to be,

Sir,

Your most obedient servant,

For First Assistant Resident.

G.R.S. 26]

File No. 167/7
Serial No. 8

Diary No. of letter replied to 2102

No. H3488

General and Revenue Secretariat
(S.R.)
, *the* 190 .

To The Sheristadar

Date of issue 11-2-09

Signed by [illegible]

Sir,

I am directed to forward herewith, for favour of your opinion, a copy of letter no: 638 dated 1.2.09, from the First Asstt. to the Hon'ble the Resident, addressing certain reasons for reducing the strength of arack sold in the State from 20° to 25° U.P.

A very early reply is requested.

I have &c.

Sd/-

for Secretary.

over.

SUBJECT.

K.S.
11.2.09

F 6/14 2 — 3638 — 8

Excise Commissioner's Office,

No. 9060 — Dated, Bangalore, 7th April 1909.

16707 (9)

From

H. H. Sparkes, Esquire,
Excise Commissioner
in Mysore.

To

K. S. Chandrasekhara Aiyar, Esq., B. A., B. L.,
Secretary to the Government of His Highness the
Maharaja of Mysore, General and Revenue Depts.

Sir,

1 In reply to your letter Fl.3488/S.R.167-8-8 of 11th February 1909 forwarding copy of letter No.838, dated 1st February 1909 from the First Assistant to the Hon'ble the Resident adducing certain reasons for reducing the strength of arrack -- sold in the State from 20 degrees to 25 U.P., I have the honor to state that it was necessary to ascertain whether the manufacturing contractors and the carrying contractors agree to the -- proposed reduction and I have only just received their replies in consequence of which my reply has been delayed.

2 The manufacturing contractors have replied that they have no objection to the change provided they are paid at the same rate, viz, Rs.0-10-11 per gallon of 25 U.P. The present price being Rs.0-10-11 per 20 U.P. alleging that the expense is extra in preparing the forms on account of the large amount of water to be distilled.

3 The carrying contractors on the other hand are willing to carry this liquor at the same rates as at present, although a gallon of 25 U.P. is heavier than a gallon of 20 U.P.

4 The question is whether we can accept the proposed

rate

rate of Rs.0-1-10 per dram to the consumer.

If the liquor is to be reduced in strength the still head duty must be reduced proportionately from Rs.4-12-0 per -- gallon of 20 U.P. to Rs.4-~~10~~-6 per gallon of 25 U.P. as - - Government have declined to consider the question of raising -- the still head duty on proof liquor of Rs.5-15-0 per gallon. If these figures are then adopted we have the following margin of profit left to the Vendors.

20 U.P.	Price	Rs.0-10-11
	Duty.	4-12-0
		Rs.5- 6-11
	Selling price.	6- 6- 0
	Margin of profit.	Rs.0-15- 1

25 U.P.	Price	Rs.0-10-11
	Duty.	4-7-3
		Rs.5- 2- 2
	Selling price.	5-13- 6
	Margin of profit.	0-11- 4

From this it will be seen that the margin of profit is so small that it will reduce our rentals very considerably. The present consumption amounts to some 400000 gallons per -- annum and if the rentals fall proportionately to this it would mean a probable loss to Government of Rs.175000/- per annum.

If on the other hand it is determined to allow the -- still head duty to remain at Rs.4-12-0 per gallon of 25 U.P. it means an enhancement of still head duty on proof liquor and which Government have already declined to consider.

If however it is decided to raise the still head duty then the price per dram must also be raised to two annas otherwise the margin of profit will be too high to the Vendors.

Again the proposed sale rates per dram of Rs.0-7-10.

Rs

10

Rs.0-1-4, Rs.0-0-11 and 6 pies do not commend themselves to me as being most difficult to work and will be found extremely inconvenient to the public at large.

The practice of diluting arrack does not prevail -- throughout the State in fact no instances of it have come to my knowledge.

Of course it is merely a surmise that the consumption of liquor will go down if the strength is reduced to 25 U.P. and the actual fact can only be learned by experience; but if Government decide to fall in with the views of the Resident I would most strongly recommend the selling prices being left as at present and the still head duty to remain at Rs.4-12-0 per gallon of 25 U.P. as I am of opinion that if the consumer - - finds that he can get his liquor a trifle cheaper although a - little weaker he will I believe invariably be led to drink a little more than he otherwise would have done and the benifits of giving him weaker liquor will be frustrated.

I have the honor to be,

Sir,

Your most obedient servant,

H. H. Sparke

Excise Commissioner

in Mysore.

G.R.S. 26]

167

File No. 57

Serial No. 60

Diary No. of letter replied to 3638

No. 787/193

26th May/09

To The Resident Commissioner in Mysore,

Sir,

With reference to your letter No. 9060 of 7th April 1909 regarding the reduction of the Revenue demand from 20°4'N. 82°5'N. I am directed to return herewith your letter No. 6388 of the 26th ult. which contains no information on the observations contained in paras 6, 8 & 9 of the letter No. 638 of the

over.

General and Rev. Secretariat

( )

, *the* 190 .

Date of issue

Signed by

SUBJECT.

18th Dec 12 from the Residency

[illegible] the proposed
[illegible]
[illegible]
[illegible]. I have to
request therefore that
a
[illegible] proposal [illegible]
may be submitted to
Govt. than early date
Govt. with a view
of opinion as to whether
the proposal to reduce
the Strength of the Escort
from 20° U.P. to 25° UP
can be accepted or not

I have &c

List of enclosures,

For Sec

[illegible]
[illegible]

Copied by

Examined by

3 84360 13

Excise Commissioner's Office,

No. 10653 Dated, Bangalore, 26th May 1909.

From Sl. 167-07-8(11)

H. H. Sparkes, Esquire,
Excise Commissioner
in Mysore.

To

K. S. Chandrasekhara Aiyar, Esq., B.A., B.L.,
Secretary to the Government of His Highness the
Maharaja of Mysore, General and Revenue Depts.

Sir,

Adverting to your letter No. Fl.7193/S.R.167-07-10, dated the 6th May 1909 calling for certain additional information regarding the reduction of the strength of arrack from -- 20° U. P. to 25° U. P., I have the honor to state that in para 6 of the letter No.638 of the 1st February 1909 from the Residency, the relative merits of arrack of 25° U.P. and 20° U.P. are dis--cussed. I do not think that Mr. Bennet has disputed the fact that the lower the temperature and the higher the strength at which spirit is distilled, the purer it will be. The quantity of impurities contained in 25° U.P. arrack as compared with that in 20° U.P. may be negligible but still there is the fact that under the existing system of distillation in the Mysore State 25° U.P. arrack is likely to contain more bye-products than 20° U.P. True it is that in the Bangalore Distillery liquor is invariably distilled at or about proof strength. But a greater quantity of distilled water is required to reduce this liquor to 25° U.P. than to 20° U.P. In this connection it has to be remembered that the Mysore State has only one distillery and -- the annual issue therefrom is nearly 400000 gallons. The - - additional quantity of distilled water required has to be - - calculated on this large quantity of liquor and consequently -

there

Presidency. Under the existing regulation any private person can get under the plea of domestic consumption any quantity of Foreign Liquor from outside with an import permit which will -- have to be issued for the asking of it. Every dram of arrack replaced by Foreign Liquor is a dead loss to Government without the relieving feature of any of the less consumption of alcohol.

4. What obtains in the bordering British Territories as well as the Foreign Liquor policy of the various British Indian -- Local Governments have to be considered, lest the change should affect the revenue without at the same time any diminution in the consumption of alcohol. The Government of India have -- recommended that in Madras the sale at 20° U.P. should cease. But the Madras Government have not done anything more than -- compelling shop-keepers in tracts in which 20° U.P. arrack is sold to maintain a stock of liquor of 30° U.P. which should at least equal to half their stock of liquor of 20° U.P. These -- tracts border considerably the Mysore State and the Mysore -- arrack drinker who has been accustomed to his 20° U.P. arrack for the last 40 years and more, is sure to frequent the border--ing shop where owing to the low rate of duty he will be able to get the 20° U.P. arrack at a comparatively cheaper rate. Cases of smuggling are apt to increase considerably. It is -- therefore necessary that in the first instance an agreement -- should be come to with the Madras Government that no liquor -- stronger than 25° U.P. is kept for sale in any of the bordering shops.

5. I have said in my previous letter that the duty on the 25° U.P. arrack should be kept at Rs.4-12-0 per gallon. This works out to Rs.6-5-4 per gallon of proof strength and including the incidence of vend rental which is about 11 annas per proof -- gallon, the total cost per gallon comes to Rs.7-0-4 which is slightly in excess of the Tariff Rate of Rs.7/- per gallon of

London

London Proof. When in British India alone it is thought -- desirable to keep the cost of country spirit at least a rupee below the Tariff rate, it is all the more necessary to do so in a Native State. To meet this difficulty I would propose the levying of an import duty of Rs.2/- per gallon of proof strength on all Foreign Liquors imported into the State. This will not only enable us to exercise greater control over the transactions in such liquors but will effectively disbale them from competing with the locally manufactured liquors. It is the free -- import of foreign liquors that is the cause of all the difficulties in the way of its control. This additional import is not likely to fall heavily on those who cannot do without such liquors inasmuchas that class is generally rich and can afford to bear the slightly increased cost.

6. If it is decided to introduce 25° U.P. arrack in place of 20° U.P. the following points have to be considered:-

1. The introduction should be deferred till the 1st July 1910.
2. The Madras Government should agree not to keep for sale any liquor stronger than 25° U.P. in any of the bordering arrack shops.
3. The rate of duty and the selling price of arrack of 25° U.P. should be the same as that of 20° U.P. arrack.
4. There should be an import duty of Rs.2/- per proof gallon on all liquors manufactured out of India and imported into the Mysore State.

I have the honor to be,

Sir,

Your most obedient servant,

Excise Commissioner.

proportion as suggested in your letter under reply, one result will be a large fall in the Arrack revenue of the State under "Shop rentals". This will be clear from the following calculations:-

20 U.P.	Price per gallon	- 0-10-11
	Duty	- 4-13- 0
		5- 6-11
	Retail sale price	- 6- 6-0
	Margin of profit to renter to cover transport, establishment charges, shop rental and his own profit	- 0-15- 1
25 U.P.	Price -	- 0-10- 3 x
	Duty -	- 4- 7- 3
		5- 1-6
	Retail sale price (at 1 anna 10 pies per gallon)	- 5-13-6
	Margin of profit	- 0-12-0.

x This is assuming that there will be a proportionate reduction in the rates offered by the manufacturers. But the Excise Commissioner reports that the manufacturers ask for the same rate for liquor at 25 U.P. as for liquor at 20 U.P. If there is no reduction in the rate the fall in rental will be still larger.

The difference in the margin of profit is thus 0-3-1 per gallon, and the consequent fall in shop rentals on a consumption of 400,000 gallons a year, which is the present annual consumption, will be over three-fourths of a lakh. This it will be noted is on the supposition that the proposed change will not result in a fall in the consumption of country spirit, a supposition the correctness of which, as will presently

19

be explained, appears to the Durbar exceedingly doubtful. Further when it is remembered that a reduction in the strength of liquor will not result in a proportionate reduction of transport and establishment charges, it will be seen that the fall in shop rental will be even more than 0-3-1 per gallon, and the loss to the State under shop rental may be put down at one lakh at the least.

4. In the second place, it appears to the Durbar that the proposal to fix the retail sale price of arrack of 25 U.P. at 1 anna 10 pies per dram will be found extremely inconvenient in practice, both on account of the difficulties in the matter of copper change, and also of the impossibility of fixing the price of fractions of a dram in exact proportion. For one thing, the rates suggested in para 7 of your letter under reply would lead to the anamoly that it would be cheaper to buy three drams of arrack in the form of four ½-dram measures than of three one-dram

in the sale of foreign liquors in shops licensed to sell them during the 14 years ending with the year 1907-08, and this does not include the large quantity of liquors imported directly from outside the State, or bought in the shops in the Civil and Mili tary Station of Bangalore, for private consumption, for which no statistics are available. The fear that any reduction in the strength of arrack would only tend to further increase the consumption of Foreign liquors is ~~therefore~~ entertained widely and is shared by competent and experienced officers of the State including the present Excise Commissioner.

6. It is suggested in para 8 of the letter under reply that as a result of the weakening of the strength of arrack, double distilled rum and not Foreign Liquor would be more frequently resorted to by the drinking classes as the prices of both are very nearly equal. But the Durbar are not sanguine about this, as the Excise Commissioner reports that as between double distilled rum

and Foreign Liquor the latter is always more popular with the drinking classes.

7. The Durbar yield to none in their desire to further the cause of temperance as far as lies in their power. But the considerations above set forth appear to present serious obstacles in the way of accepting the recommendation of the Hon'ble the Resident which, the Durbar ~~cordially~~ are willing to recognize is made in the best interests of temperance in the State. In order to render the proposal acceptable, two conditions are necessary in order that the Excise revenues of the State may be safeguarded from loss apart from any natural fall due to the increase of temperance.

First, the Durbar should be at liberty to levy a duty of Rs.2 per gallon of proof strength of Foreign Liquor imported into the State with a view to prevent increase of consumption of that liquor to the prejudice of the local arrack and to compensate the Durbar for the apprehended loss in the revenues referred to in the preceding paras.

D3253 '09

No 6816
E 2

OFFICE OF THE EXCISE COMMISSIONER IN MYSORE,

Bangalore, dated 14th February 19 10.

From

H. H. Sparkes, Esquire,
Excise Commissioner in Mysore.

SR 167-09
Gno. 13

To

C. S. Balasundram Iyer, Esq., B.A.,
Offg: *Secretary to the Government of*
His Highness the Maharaja of Mysore,
General and Revenue Departments.

SIR,

1 In forwarding herewith copies of D. O. dated 5th February 1910, from Mr. Vernon, Secretary to the Board of Revenue, Madras, and my reply thereto, I have the honor to invite your attention to the marginally noted letters from this office and to request the favour of a very early reply.

Letter No.10653, dated 20-5-1909
-do- 9060 , dated 28-4-1909

2 I may add that the Mysore arrack consumer has been accustomed to his liquor at 20 U.P. ever since the Sadr Distillery System i.e., 1861-62 and consider that a sudden change to liquor of lower strength may drive him to procure illicit liquor of the strength to which he is accustomed or to take to Foreign Liquor in either case the Revenue of the State will suffer.

3 On the other hand the weaker liquor may be conducive to ~~le~~ less drunkenness. If it is decided to issue this weaker liquor and sell it at the same price as the present 20 U.P., viz, 2 annas per dram it means the raising of the still-head duty proportionately to safeguard our Revenue the duty being Rs.5-15-0 on London Proof which brings it to Rs.4-12-0 on 20 U.P. per gallon; whereas if the present price of 2 annas per dram is allowed the still-head duty must be raised to Rs.6-5-0 per gallon of London Proof to bring it to Rs.4-12-0 on 25 U.P. I am of opinion that any reduction beyond 25 U.P. would

I Exn 16210 3253

19

From

H. H. Sparkes Esquire,

Excise Commissioner in Mysore.

To C. S. Balasundram Iyer Esqire B.a;

Offg. *Secretary to the Government of*
H. H. the Maharaja of Mysore,
Genl. and Rev. Depts.

Dated 14th February 1910.

Despatched

Received

General No. 6816

Enclosure No. 2

SUBJECT.

Soliciting orders in the matter of the proposal to introduce 25 U.P. in this Mysore State.

cause too much dissatisfaction and I would not advise the same.

4 I request an early reply, to my letters quoted above, may be sent.

I have the honor to be,

Sir

Your most obedient servant,

Excise Commissioner.

96

Revenue Board Office,
(Separate Revenue),
Madras,
5th February 1910.

Sir,

I am directed to acknowledge with thanks, the receipt of your D. O. of the 27th January and the copies of the notifications forwarded with it; and to request you to be good enough to inform me whether the Mysore Government intend to prohibit the sale of 20° U.P. liquor in the State. The sale of this liquor will be prohi--bited throughout this Presidency from 1-4-1910 with reference to the recommendations of the Excise Committee, who in para 257-258 of their report remarked that a reduction of the issue strength would tend to prevent drunkenness.

Yours faithfully,

/SD/ H. A. B. Vernon.

To,

The Excise Commissioner
in Mysore.

" Copy "

for Excise Commissioner.

27

Office of the Excise Commissioner
in Mysore,
Dated Bangalore, 14th February 1910.

Sir,

I have just received your D.O. of the 5th Instant, and which I must apologise for not answering before, but being out in camp it missed me. You ask whether the Mysore Government intend to prohibit the sale of 20 U.P. liquor in the State, remarking that the sale of this liquor will be prohibited throughout the Madras Presidency from 1-4-1910. In reply, I beg to state that the ques--tion was mooted by the Hon'ble the Resident in Mysore and it was decided that the sale of 25 U.P. liquor should not be allowed, but when coming to this decision it was not known at the time that the Madras Government intended to do so; but since learning this fact, I am making a further reference to Government on the subject, as I think that the sale of liquors of different strength on either side of the border may lead to many complications and I am of opinion that we should reciprocate as far as possible. I will communicate to you the decision of the Mysore Government as early as possible.

Yours faithfully,
(SD) H. H. Sparkes.
Excise Commissioner.

To
H.A.B.Vernon, Esq., I.C.S.,
Secretary to the Board of Revenue,
(Separate Revenue),
M A D R A S .

" Copy "

for Excise Commissioner.

G.R.S. 26]

File No. 167

Serial No. 44

Diary No. of letter replied to 3253

Pol: No. 82 F

General and Revenue Secretariat

(GR)

, *the* 190

To

The J.A. Resident
in Mysore

Date of issue 29-3-1910

Sir,

Signed by

Mr. C.S. Balasundaramiyer

With reference to the correspondence ending with my letter No. Pol. 621 of 29th January 1910 regarding the reduction of the strength of Arrack sold in the State from 20° U.P. to 25° U.P., I am directed

SUBJECT.

to state that the Dunbar
have decided to give
effect to the reduction
of the duty on
arrack from the
present rate, making
the necessary alteration
in the circumstances. We
In order to comply
with the direction contained
in sub para 2 para 3 of
the Resolutions of the
Govt. of India no. 5086
of 15th December 1907.
2. We also enclose
herewith. We
were to suggest a countervailing
possible loss of revenue
& maintain it at
the present figure, the Dunbar considered it
to raise the duty on
arrack from
Rs 5-15 a to Rs 6.5.4 per
proof gallon. We
enclose a memorandum of duty

as reported above

in view of the facts that the strength of liquor sold in the Madras Presidency has been reduced to 30° U.P and that recently the tariff on foreign liquors has been enhanced +

This decision will meet the views

List of enclosures,

a great fall in revenue

necessary

Copied by

Examined by

GPB—10,000—23-5-08

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation Sheet draft form.*)

K

Enclos NK

WMF 29/3

Dr Hitch. Dobbs

WMF 29/3/10

P.T.O.

MGCPB—30,000—5-4-05.

be in accordance with the ~~same~~ principle ~~order will be issued~~ as ~~accord with the~~ ~~instructions~~ of the Govt. of India contained in the 8th para 13, para 50 of their Resolution No. 2994 dtd 16th May 09

3) With the duty thus fixed it ~~has become~~ will be practicable to fix the retail selling price for each of 25° Ref. at 2 annas per proof dram, the ~~same~~ price as is now paid heretofore for each of 20° Ref. This ~~will accord~~ will obviate the practical inconvenience referred to in para 4 of my letter of the 29th January last which would result if the retail price was reduced proportionately to the ~~25~~ strength of the smack

Peace of

USB 26/3/10

Sd H Sly.

3

Copy forwarded letter No 36 4825.
Excise Commr in Mysore — dy 29-3-1910
with reference to the correct
Customs address with
his letter No C 8168 14/2/1910
and with a request to
submit for the approval
of Govt a draft note
embodying the necessary
amendments to the Arrack
rules. He is also requested
to make the necessary
alterations in the conditions
applicable to Arrack
licences in the Sale notice
to the Standing Council Tender

BM.

CM
Offg

24/3/10

Copies
Mr Narain Rao
28/3

No. 3336. Pol. 1877

24903 Dy 3-6-10

FROM

MAJOR W. G. GREY, I. A.,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

Dated Bangalore, 2nd June 1910

SIR,

I am directed to acknowledge, with thanks, the receipt of Mr. Balasundaram Iyer's letter No.825-Pol., dated the 29th March 1910, and to state that the duty on arrack will be raised in the Civil and Military Station of Bangalore from Rs.5-15-0 to Rs.6-4-0 per gallon of --- proof spirit from the 1st July 1910, but that the retail selling price for arrack of 25° U.P. will, as in the ---- Bangalore City, be fixed at two annas per dram.

I have the honour to be,
Sir,
Your most obedient servant,

W. G. Grey Major,
First Assistant Resident.

K.M.

33

G.R.S. 26]

File No. 167-07
Serial No. 16

Diary No. of letter replied to 4903

No. H. 6118

General and Revenue Secretariat
(S.R)
, *the* 190

To

& 11-6-1910

(Here enter letter no: 3336 & the 2.6.1910 from the Dist Asstt: to the Hon'ble the Resident)

Date of issue 11 June 1910

Signed by V. Ramaswamy

Copy forwarded to the Excise Comr in reply, in continuation of this office Endorsement no: H: 4825/S.R167-07 & the 29.3.10, for favr of opinion.

By order.

Dy Sec
In offg. Secy.

K.S.
8/6/10

over.

SUBJECT.

4

Office of the Excise Commissioner
in Mysore,

No. 6498. Dated, Bangalore, 25th June 1910.

SR. 167-09
Encl 17.

From

H .H . Sparkes, Esquire.,
Excise Commissioner in Mysore.

To

C .S . Balasundaram Iyer Esq., B.A.,
Offg. Secretary to the Government of H.H. the
Maharaja Of Mysore.

Sir,

Adverting to your endorsement No. Fl. 6118/S.R. 167-09-00 dated 11th June 1910, forwarding for opinion copy of letter No.336 dated the 2nd idem from the First Assistant to the Hon'ble the -- Resident in Mysore to the Dewan of Mysore, stating that the duty - on arrack will be raised in the Civil and Military Station of -- Bangalore from Rs5-15-0 to Rs6-4-0 per gallon of proof spirit from the 1st July 1910, but fixing the retail selling price at 2 annas per dram of 25 degrees U.P. as in Bangalore City, I have the honor to state that the rate for proof spirit sanctioned for Mysore is - Rs6-5-4 against Rs6-4-0 of the Civil and Military station. This -- when worked out for 25 degrees U.P. spirit gives Rs4-12-0 against Rs4-11-0 of the latter.

If the strength is reduced at any future period to 30 degrees U.P. the present proof rate will give Rs4-6-11$\frac{1}{5}$ against Rs4-6-0 of the station. As the former will be a very awkward figure to work on the duty can then be altered to Rs6-4-0 per proof gallon as in the station if deemed advisable. But at present I see no necessity to effect any change in the arrangements already made.

I have sufficiently dealt with in my previous letters as to -- how the duty of Rs6-5-4 came to be fixed on a gallom of proof spirt

SR

D 5168

From

H. H. Sparkes Esquire

Excise Commissioner

in Mysore.

To C. S. Balasundaram Iyengar Esqr

Hy: Secretary to the Govt of H H

the Maharaja of Mysore.

Dated 25th June 1910

No. 10798.

Subject.

Intimating that the ~~Present~~ rate of Rs 6-5-4 for Proof Spirit sanctioned for Mysore can be allowed to be retained at present.

35

spirit and I therefore refrain from dwelling on it here.

I have the honor to be,

Sir,

Your most obedient servant,

Excise Commissioner

in Mysore.

D385

No. 4453. Fuel 143

D26-7-10

From

Major W. G. GREY, I. A.,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

Dated Bangalore, 26th July 1910

Sir,

In continuation of this office letter No.3336, dated the 2nd June 1910, I am directed to state that the Government of India have been informed of the reduction of the strength of arrack sold in the Civil and Military Station of Bangalore from 20° U.P. to 25° U.P. with effect from the 1st July 1910 and of the enhancement of the duty on the liquor from Rs.5-15-0 to Rs.6-4-0 per proof gallon from the same date.

2. These reforms have been rendered possible by the --- willingness of the Durbar to introduce similar measures in --- their territory, and I am to express the gratification of the Government of India at their co-operation in the matter.

I have the honour to be,

Sir,

Your most obedient servant,

W. G. Grey Major,

First Assistant Resident.

C/Pg to Dewan

26-7-10

Copy Cubbon

No. 4454.

A copy of the foregoing letter is forwarded to the

Collector,

R. P. B.—6-1910.—500.

Collector, Civil and Military Station of Bangalore, for information.

(Sd.) W. G. G r e y, Major,
First Assistant Resident.

K.M.

16. To the Excise Comr. No. 2L 6118 d. 11.6.10
Forwards copy of the T.A. Resident's letter for favour of opinion.

17. From the Excise Comr. No. 10798 d. 25/6/10
Explains how it is unnecessary to effect any change in the arrangements already made.

18. From the T.A. Resident. No. 4453 d. 26.7.10
Expresses the gratification of the Govt of India at the Cooperation of the Durbar in the matter of introducing measures reducing the strength of arrack from 20° to 25° U.P.